

ARRESTED RICH BANKER IN THE CANFIELD CASE.

Jesse Lewisohn, Who Was Summoned by District-Attorney Jerome to Lay Bare the Doings in the Famous Gambling House, Refused to Answer Questions Put to Him.

Habeas Corpus Proceedings on Behalf of Mr. Lewisohn Are at Once Begun by His Counsel, Alfred Lauterbach, Who Declares the Procedure of Mr. Jerome Is Outrageous and Un-American.

Jesse Lewisohn, the millionaire Wall Street banker, was arrested this afternoon on a warrant sworn out by Assistant District-Attorney Sandford. Lewisohn refused to answer questions when summoned to District-Attorney Jerome's secret Canfield inquiry to-day. When the District-Attorney, after an attempt, found that he could not bring the matter to the attention of the Grand Jury, he applied for a warrant from Justice Wyatt.

Lewisohn was the second witness called at the inquiry. When he had seated himself he brushed the smoke from the District-Attorney's cigarette away from his vicinity and leaned back with half a smile on his face. He had consulted a lawyer and had been instructed what to do.

Assistant District-Attorney Osborne, who was assisting in the inquiry, walked up close to Mr. Lewisohn, pointed his finger at him, and in his characteristic way shouted:

"Do you know Canfield?"

Mr. Lewisohn looked at Mr. Osborne, but he did not reply. He might have been deaf and dumb for all the attention he paid to the question.

HIS ANSWER ONLY A STARE.

"Do you know Dick Canfield?" repeated Mr. Osborne.

A stare was the answer. Three times more the question was repeated, and then the District-Attorney angrily dismissed the witness and called a postponement of the inquiry.

Mr. Lewisohn went to his office. Soon after he was requested to call at the District-Attorney's office at 2 o'clock. When he entered the Criminal Courts Building he was arrested by Policeman Becker, of the District-Attorney's staff.

He was taken at once to the chambers of Justice Wyatt, where he was allowed to see his lawyer, Alfred Lauterbach. Mr. Lauterbach, who had been expecting the arrest, had arranged to secure a writ of habeas corpus from the Supreme Court and hustled out to accomplish his mission.

"OUTRAGE," SAYS THE LAWYER.

"This is the most high-handed, outrageous, un-American star-chamber proceeding ever inaugurated," said Mr. Lauterbach to an Evening World reporter. "If a case was to have been made, why was it not made before a Grand Jury. Here is the position of my client."

"He is a gentleman, and all he wanted was to be let alone. Instead he was dragged before a secret tribunal and an effort was made to make him answer questions at variance with his position as a gentleman, and this in an inquisition unauthorized by any law, State or Federal."

"I went there to represent him, but the District-Attorney barred me. He said my client was simply a witness. I explained that he might be more than a witness, because under the penal code a man who plays in a gaming place is as amenable to the law as the proprietor of the place. This had no effect. I was barred from the room."

"There has been nothing to approach this outrageous happening in this city in my recollection. I cannot understand the state of mind of a man responsible for such treatment of a citizen."

It was learned late this afternoon that among the witnesses called to the inquiry and who responded to subpoenas were Harry Payne Whitney and a man named Hageman.

NEWBURGER SNUBBED JEROME.

After Mr. Lewisohn refused to tell whether or not he knew Canfield Mr. Jerome hurried to the Court of General Sessions and asked Judge Newburger to call the attention of the Grand Jury to the refusal of the witness to answer questions. The Judge refused to do it, saying that if a witness had refused to testify before the Grand Jury it was the Grand Jury's business. Then the District-Attorney secured the warrant for Mr. Lewisohn's arrest.

On the application of Mr. Lauterbach, at 4:30 this afternoon, Justice Scott granted a writ of habeas corpus for Jesse Lewisohn, returnable Friday morning, and paroled Lewisohn in the custody of his attorney.

District-Attorney Jerome had been waiting about Justice Scott's Court room for half an hour. He seemed a bit nervous and laughed nervously, but declined to discuss the situation.

Mr. Jerome wanted Justice Scott to understand that he had advised Mr. Lauterbach that it would be best for all hands to appear before him this afternoon.

\$250,000 TO BUY COAL FOR POOR OF GREATER NEW YORK

Aldermen Take Action to Relieve Distress Existing in the City.

When the Board of Aldermen met this afternoon, Alderman McCall asked unanimous consent to the passage of a resolution appropriating \$250,000 for the purchase of coal for the poor in the five boroughs of Greater New York.

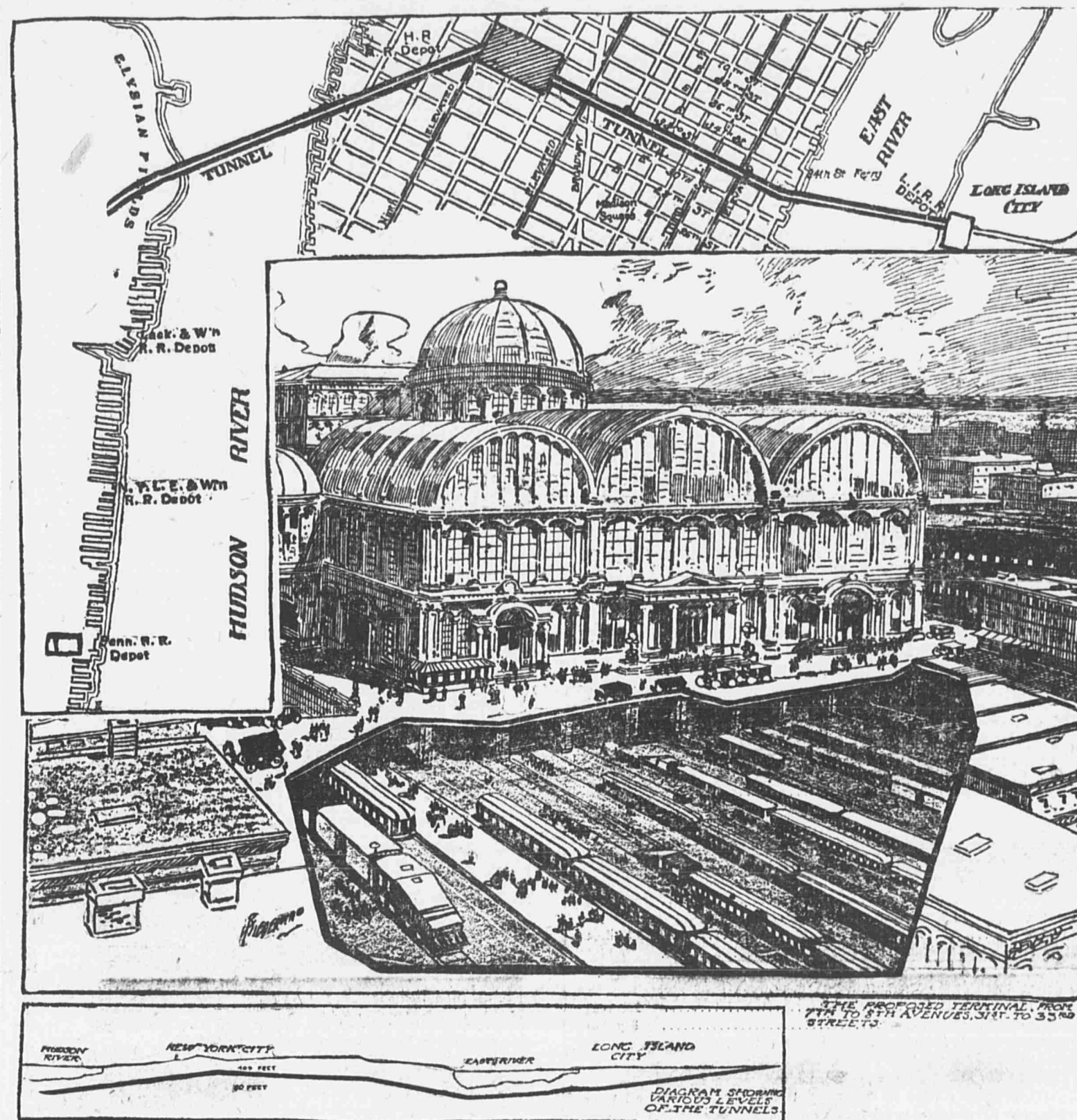
His original resolution, calling for an expenditure of \$100,000, introduced last week, was withdrawn at the request of the Mayor, because the resolution had not received the full sixty votes required by law.

Within two minutes the resolution was reconsidered, the vote taken and the resolution adopted. Alderman Howland was the solitary member to vote against the resolution. His single vote would have put the matter over for another week, but he withdrew his vote, begging to be excused from voting. Then the measure went through with a rush.

Corporate bonds will be issued to cover the expenditure. The Board of Estimates and Apportionment will authorize the issue at its meeting Friday next.

Save Four Hours
By taking the Pennsylvania Special leaving New York and reaching Albany for Chicago, St. Louis and St. Paul, start speed, 40.

ROUTE OF THE PENNSYLVANIA RAILROAD TUNNEL AND ITS PROPOSED GREAT STATION IN NEW YORK.



GERMANY NOT TO STOP AMERICAN VESSELS.

Official Announcement Will Be Made by the Berlin Government Defining the Status of Ships Flying the United States Flag in Venezuelan Waters.

BERLIN, Dec. 16.—Secretary Hay's note protesting against the stoppage of American vessels by the blockading fleets in Venezuelan waters is favorably received here. It is said at the Foreign Office that a precedent to that effect was established when United States ships were exempted during the Cretan affair.

An official announcement defining the exact status of vessels of that nation will be made to-morrow.

WASHINGTON, Dec. 16.—Secretary Hay, under instructions from the President, to-day addressed an urgent note to the American Ambassadors at London, Berlin and Rome, ordering them to again call the attention of the governments to which they are accredited to the arbitration proposals and to urge a speedy response.

The administration is determined to hasten a settlement if possible.

The Italian Ambassador to-day called at the State Department and advised Secretary Hay that Italy had joined the allies in the operation against Venezuela. He requested that Minister Bowen assume charge of the Italian interests in Venezuela and the Secretary granted this request subject to the approval of Venezuela. Italy enters the combination on the same plane as to abstention from territorial seizures as Germany and Great Britain.

President Roosevelt and Secretary Hay are fearful of an outburst in Congress because of the treatment of Venezuela by England and Germany. Congressional leaders in both House and Senate have been counseled by the President to prevent such a happening at all hazards.

Secretary Hay and Senator Lodge, who is regarded as the Administration leader in the Senate, had a conference to-day. Secretary Hay asked Senator Lodge what the sentiment of the Senate was.

Sensor Lodge informed him that an outburst and a flood of resolutions of inquiry as to the exact status of the United States might be expected at any moment.

Sensor Lodge frankly stated that he expected an explosion of some sort from Congress.

The Cabinet meeting at the White House this morning is regarded as one of the most important since the Spanish-American war. Venezuela was discussed during the entire session. Secretary Hay informed the President and other Cabinet officers that no dispatches had been received from Minister Bowen since yesterday.

The President continues to hope that the United States will not be drawn into the controversy. He upholds the English and German Govern-

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TUNNEL FRANCHISE IS APPROVED BY ALDERMEN.

A ballot was reached by the Board of Aldermen on the Pennsylvania Railroad Tunnel franchise at 5:45 o'clock this evening.

The franchise was approved by a vote of 41 ayes to 35 noes.

Although admitting they were beaten, the opponents of the Pennsylvania tunnel fought to the last and prolonged the session of the Board of Aldermen in fierce debate.

To the argument of President Swanstrom, of Brooklyn Borough, that public sentiment demanded the approval of the franchise Alderman "Tim" Sullivan replied that public sentiment was often misleading.

"We're not afraid of public sentiment," he said. "In opposing this franchise we are acting in the best interests of the very people who are in favor of this franchise in its present form."

President Fornes, of the Board of Aldermen, made a long speech in favor of the tunnel.

NEW ORLEANS WINNERS.

Fifth Race—Scorpio 1, Golden Rule 2, Whiskey King 3.
Sixth Race—Lessor 1, Mosketo 2, Gardner 3.

PIPER'S PRISONERS SET FREE.

As soon as the 100 prisoners caught in the pool-room raid at No. 72 West Thirty-sixth street this afternoon reached the Tenderloin station they were released, with the exception of William Fabian, the alleged proprietor; William J. Conklin, the doorman, and John Rodgers, the telephone man.

LEWISOHN WOULDN'T ANSWER GRAND JURY.

Lawyer Alfred Lauterbach said late this afternoon that he had learned that Jesse Lewisohn, after he had refused to say that he knew Richard Canfield in District-Attorney Jerome's private inquiry, was summoned before the Grand Jury. It also appears that Mr. Lewisohn was arrested technically for refusing to answer District-Attorney Jerome's questions and Justice Wyatt, but really because he refused to testify to the Grand Jury.

VICTORY FOR \$50,000,000 TUNNEL

Opposition Defeated in an Effort to Re-commit the Pennsylvania Franchise by a Vote of 32 to 35, and Alderman "Tim" Sullivan Admits It Will Be Passed.

Long and Acrimonious Debate in Which Tammany Men Charged Republicans with Voting Against Labor at the Crack of the Party Whip.

Victory for the Pennsylvania Railroad tunnel franchise was assured before the final ballot was taken upon it by the Board of Aldermen late this afternoon.

The vote was not taken until after a long debate, in which considerable acrimony was shown and Republican members were charged by Tammany men with voting against labor at the crack of the party whip.

Even before the end came the opponents of the franchise admitted their defeat. They foresaw it in the first test of strength which came on a motion to recommit the entire matter to the Railroad Committee. That motion was defeated—32 ayes to 35 nays—and Alderman "Tim" Sullivan said the opposition was beaten.

"I acknowledge that we are beaten," said Mr. Sullivan, "though Tammany Hall has made a good fight in the interest of the city and the working classes. The preliminary vote on the recomittal resolution shows how the final vote will go."

STORY OF THE FIGHT OVER THE TUNNEL FRANCHISE.

Fully an hour before the Board of Aldermen met this afternoon to take a vote on the Pennsylvania Railroad tunnel franchise members of the Board crowded the Aldermanic Chamber, ante-room and corridors.

Opponents of the franchise took advantage of the opportunity to get in some fine aldermanic persuasion among members who were known either to be lukewarm or doubtful.

Alderman "Jim" Gaffney, who is one of Leader Murphy's lieutenants and a representative of the Eighteenth—Murphy's own district—gathered the Tammany henchmen about him and gave out the word that the franchise would be killed.

Big "Tom" Foley took the cue, buttonholed several of the lukewarm members and told them it would be easy to defeat the tunnel.

Alderman Diemer, Chairman of the Railroad Committee, who, in politics on most occasions, is supposed to oppose the Democrats, came early and hobnobbed with the Tammany clan.

Gaffney marshaled forces.

But Gaffney was far and away the busiest member. He pummeled from ante-room to chamber, to corridor, and back again, getting the members into line for the final rally.

Advocates of the tunnel were equally busy preparing for battle and predicting success.

After business was started Alderman Water and McCall, members of the Railroad Committee, handed in minority reports, opposing the franchise.

In his report Alderman Water said:

They Stand for Labor.

"The rights of the laboring masses of this city will be seriously impaired if this most stupendous and far reaching enterprise calling for the employment of men who work by the day, and over which it is possible to exercise municipal control be undertaken without an explicit and complete guarantee that the eight-hour law, provision for which is made by the State Legislature, and which is about to be made by the Federal Congress, be not a part of the contract between the city of New York and the applicant company."

"The same arguments call for the insertion of a provision that the prevailing rate of wages be paid to employees by the applicant company."

Alderman McCall in his report waived

every other contention but the eight-hour and prevailing rate of wages scale. He dissented from the majority report because of the refusal of the Pennsylvania Railroad to include these clauses. "The working men," he said, "must be protected no matter how much good may come to the city through the enterprise."

Organized labor was well represented when the session began. The gallery was crowded with "union men," and labor leaders filled the rear part of the chamber floor.

The fight was opened with the reading of the majority report favoring the franchise.

President Fornes warned the spectators and Aldermen alike that decorum should be preserved. His hearers were wondering what the President of the Board was driving at when he said:

"I warn you all not to cheer or make any demonstration whatever when the reports are read. You must preserve decorum."

When the majority report was read Alderman Myers jumped to his feet and shouted: "I move its adoption."

Alderman McCall's voice was heard shouting: "Mr. Chairman, I wish to have this minority report read in advance of the vote being taken."

The minority report of Alderman Water and McCall was then read.

Alderman McCall moved that his report be substituted for the majority report and voted on as such.

Alderman Water moved that his report be substituted for both the others. Alderman Water spoke in favor of his motion.

"It," he said, "the Pennsylvania people come in here without being restricted there will be all kinds of mergers. The people thought that the subway was to be a municipal ownership, but we find it a private corporation. I move that the whole matter of this franchise be sent back to give us a chance to dispose of it as it should be."

Walkley Favors Franchise.

Alderman Walkley favored the franchise. He said he believed the compensation to the city was totally inadequate, but the benefits which would accrue to the city by reason of the great enterprise would more than appreciate the difference.

"All the great elements that make up a country," he said, "are in favor of this contract."

Alderman Walkley was in the midst of an eloquent peroration, in which the National Guard was the figure, when Alderman Dowling shouted:

"Mr. Chairman, this subject is not a question of National Guard ethics, but workmen's rights."

First Test of Strength.

On the motion of Alderman "Tim" Sullivan discussion on the minority report of Alderman Water, referring the whole matter back to the Railroad Committee for further hearing, was declared completed.

Then came the vote on recomittal. President Cantor when his name was called said he would prefer the franchise be disposed of to-day.

"So long as I have an official standing," he said, "I shall stand out against the franchise unless the labor cause is championed."

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WEATHER FORECAST.

Forecast for the thirty-six hours ending at 8 P. M. Wednesday for New York City and vicinity: Rain to-night; Wednesday generally fair and colder; brisk to high easterly winds.

The Train of Thought
In the Pennsylvania Special, representing the highest development of railroad equipment and service. Leave New York daily, 6 P. M.